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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Sharon F. Lyles.

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## DIGEST

Proposed law defines a "motor carrier transportation contract" to mean any contract, agreement, or understanding covering the transportation of property for compensation or hire by a motor carrier, entrance upon property by the motor carrier for the purpose of loading, unloading, or transporting property for compensation or hire, or a service incidental to any such activity, including but not limited to storage or property, except the Uniform Intermodal Interchange and Facilities Access Agreement administered by the Intermodal Association of North America, as such agreement may be amended by the Intermodal Interchange Executive Committee.

Proposed law defines a "construction contract" to mean any agreement for the design, construction, alteration, renovation, repair or maintenance of a building, structure, highway, road, bridge, water line, sewer line, oil line, gas line, appurtenance or other improvement to real property, including any moving, demolition or excavation, except that no deed, lease, easement, license, or other instrument granting an interest in or the right to possess property shall be deemed to be a construction contract even if the instrument includes the right to design, construct, alter, renovate, repair or maintain improvements on such real property.

Proposed law further provides that a "construction contract" shall not include any design, construction, alteration, renovation, repair, or maintenance of (i) dirt or gravel roads used to access oil and gas wells and associated facilities, or (ii) oil flow lines or gas gathering lines used in association with the transportation of production from oil and gas wells from the point that oil and gas becomes co-mingled for transportation to oil storage facilities or gas transmission lines.

Proposed law provides that any provision, clause, covenant, or agreement contained in, collateral to, or affecting a motor carrier transportation contract or a construction contract that purports to indemnify, defend, or hold harmless, or has the effect of indemnifying, defending, or holding harmless, the indemnitee from or against any liability for loss or damage resulting from the negligence or intentional acts or omissions of the indemnitee is against the public policy of this state and is null, void, and unenforceable.

Proposed law provides any provision, clause, covenant, or agreement contained in, collateral to, or affecting a motor carrier transportation contract or construction contract which purports to require an obligor to procure liability insurance covering the obligee's own negligence is void and unenforceable. Proposed law shall not be applicable to or be construed to affect or impair any indemnification agreement that is an integral part of an offer to compromise, or the settlement of a disputed claim.

Proposed law provides that Louisiana law applies to construction contracts performed in this state or motor carrier transportation contracts relative to loading or unloading activities, or any services incidental thereto, which occur in this state. Proposed law further provides that any

provision, covenant, or clause in such contracts which conflicts with the provisions of proposed law shall be null, void and unenforceable.

Proposed law is not intended to, nor shall it be judicially interpreted, to alter, add to, subtract from, amend, overlap, or affect the provisions of R.S. 9:2780 or R.S. 38:2195.

Proposed law shall apply to any motor carrier transportation contract and any construction contract for any accident, injury, or damage occurring on or after January 1, 2011.

Effective January 1, 2011.

(Adds R.S. 9:2780.1)